



Request for City Council Committee Action from the Department of Public Works

Date: February 12, 2013

To: Honorable Sandy Colvin Roy, Chair Transportation and Public Works Committee

Referral: Honorable Betsy Hodges, Chair Ways and Means Committee

Subject: **Auction Services Contracts**

Recommendation:

Approval to enter into contracts with Wayne Pike Auction Co LLC, Hiller Auction Service Inc., and Ritchie Bros Auctioneers Inc for the sale at public auction of City owned vehicle and equipment for a period of 5 years at up to \$50,000 per year for each contract. No additional appropriation is required.

Previous Directives: None

Prepared by: Gary Dahl -Business Application Manager

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Gary Dahl, Business Application Manager

Reviews

Permanent Review Committee (PRC)	Approval: February 2011
Civil Rights Approval	Approval: Not Applicable
Policy Review Group (PRG)	Approval: Not Applicable

Financial Impact

- No financial impact

- Action is within the Business Plan

Community Impact Not Applicable

Supporting Information

Background

On March 17, 2011 an RFP was issued for "Live Auction Services" for the sale of City owned vehicle and equipment at public auctions. Public Works accepted the proposals submitted by Wayne Pike Auction Co LLC, Hiller Auction Service Inc., and Ritchie Bros Auctioneers Inc., and entered into contracts using the incorrect form for contracts resulting from an RFP process, which resulted in not seeking Council approval for these contractors. Those contracts went into effect on June 1, 2011.

Public Works has been very satisfied with the service performance of the vendors, and requested an extension of the contracts. Upon the request, staff was informed that in order to comply with the City's Council approved policies and procedures for contracting, these contractors should be approved by the Council and an amendment will be made to the existing agreement allowing it to be extended and increased to \$250,000 over the 5 years. Public Works recommends executing these contracts under a Professional Services agreement for a period of 5 years (from June 1, 2011 through May 30, 2016); with commissions paid not to exceed \$50,000 per year per contract.